



**PROVIDENCE HOUSING AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING: January 24, 2008**

PHA Conference Room

100 Broad Street

Providence, RI 02903

CALL TO ORDER

Chairman Waldman called the meeting to order at 5:02 p.m.

ROLL CALL

The Executive Director called the roll:

Present

Paul Waldman
Dolores Cascella
Jaime Castillo
Hillary Silver
Dorothy Waters
Barbara Fields
Robert Clarkin

Absent

Raymond Murphy (Excused)
John Iglizzi (Excused)
JT. Taylor (Excused)
Nicholas Narducci (Excused)

Seven members were present, constituting a quorum.

RESIDENTS' COMMENTS

There were no comments from residents.

APPROVAL OF MINUTES (December 6, 2008)

Chairman Waldman called for approval of the December 6th meeting minutes. Commissioner Clarkin moved approval of the minutes. Commissioner Cascella seconded the motion. A vote was taken. There being no opposition, Chairman Waldman declared the minutes approved.

CHAIRMAN'S REPORT

General Remarks

Chairman Waldman congratulated Barbara Fields on being reappointed on December 27th, 2007 to a five year term on the PHA Board of Commissioners by Mayor Cicilline. Previously she filled out the term for Tom Anton. The chairman stated that he and the entire board are pleased with the reappointment.

By-Laws Review Committee

Chairman Waldman announced that Commissioner Clarkin has been appointed to chair a By-Laws review committee. Chairman Waldman will be on the committee as well, and other interested Commissioners should speak with him. The committee will review the by-laws and policies, and bring them up to date and into conformance with Rhode Island General Law 4525.

COMMITTEE REPORTS

Budget, Finance & Audit Committee

Finance Director Lou Tomasso presented the report to be entered into the record. [See attached report]

Asset Management/Capital Improvements Committee

Asset Management Director Marv Carmody presented the report to be entered into the record. [See attached report]

Resident Services Committee

Maria Gianfrancesco, Special Assistant to the Executive Director, presented the report to be entered into the record. [See the attached report.]

EXECUTIVE DIRECTOR'S REPORTMonthly Management Report

The Executive Director informed the board that the Monthly Management Report for December, 2007 is not complete and will be distributed at the February Board Meeting. Most of the indicators in the report are positive.

The Omnibus Appropriations bill was recently passed giving public housing operating funds a total of \$300 million more than the Administration requested. Unfortunately, that only funds the PHA at 84% of our operating subsidy, about the same as last year. The Finance Department will recompute the budget and present it at the February Board Meeting. We are hoping that we will not have to let any more staff go, and will look for other savings, especially in purchasing.

HUD does not know how much money they need until the last of the 3,200 housing authorities submit their budget. Last year we received an additional \$300,000, but it was received so late that for accounting purposes it will be counted for this year.

Attention to Articles in Board Packet

Each month one or more articles related to public housing will be included in each Commissioner's packet in order to provide Commissioners with information on housing issues. This month's packet includes the following:

- A Government Leasing News article from Fall 2007 on the "Challenges in Public Housing".
- A New York Times article from December 14, 2007 titled "In New Orleans, Plan to Raze Low-Income Housing Draws Protest". The housing being razed is public housing.
- A New York Times article from December 20, 2007 titled "High Noon in New Orleans: The Bulldozers Are Ready", about public housing projects and other buildings slated for demolition.
- A New York Times article from January 1, 2007 titled "If You Want to Observe 'Em, Join 'Em", about a sociology student who joined a gang in Chicago in order to study them and accumulate raw data. Commissioner Silver uses his books in her classes at Brown University.

Energy Performance Contract

The Director announced that the Energy Performance Contract with Ameresco has been authorized by HUD. The contract will give the PHA \$1.2 million for improvements at the developments, including heating systems, lighting and appliances. This will put a big dent in the PHA's outstanding capital needs. The contract will be financed by a \$12 million municipal lease, and the \$1.2 million in yearly energy savings will pay for the lease and Ameresco's fee, with the rest coming to the PHA. If the savings are not met the balance of the \$1.2 million will come from Ameresco's fee.

We are having a problem with Bank of America reneging on their commitment for financing. They want greater liquidity. If necessary we will seek damages for any losses incurred due to this problem. Ameresco is now considering working with AIG, which is another large financial firm. This problem should be resolved fairly quickly. Ameresco is beginning the work at their own risk in the meantime.

Capital Fund Financing Program

The Director explained that this program allows the PHA to borrow against future funds. The application was submitted to HUD last week, but there was an error in some of the forms because the central office at headquarters gave us the wrong guidelines, and the local office wanted the information presented differently. The application will be sent to HUD tomorrow, and they expect to turn it around within 30 days, so we will be gearing up for a very busy spring, summer and fall of capital improvements. This program will give us another \$8 million in funds.

Policies & Procedures

The Director stated that the PHA will be updating many of its policies and procedures over the coming year and that they will be presented to the board as they become available. These will be offered as presentations and executive summaries, but the full text of each policy will be available. Commissioner Clarkin asked if there is a PHA library where Commissioners could sign out these documents, and the Director stated that there is.

Resolution 4155, the Annual Contributions Contract

The Director explained that the Annual Contributions Contract is the basic contract between a housing authority and the Department of Housing and Urban Development, and that this version of the contract was created 8 or 9 years ago to simplify the paperwork. Our professional organizations recommended not signing it at the time, but are now in agreement with it. We need to sign it now in order for the Capital Fund Financing Program to be approved by HUD.

Resolution 4156, the Procurement Policies & Procedures Manual

The Director stated that we have just updated the Procurement Policy to meet some of the new HUD regulations. This policy also includes all Federal and State regulations. Only the policy section was distributed to the board including an Executive Summary, which covers gratuities, conflicts of interest, minorities, and the levels of contracts. The flow chart that explains, in a nut shell, the procedures section of the manual, was also handed out. For smaller contracts HUD requires only one quote, but the PHA generally goes out for more than one in an effort to get the best price. The PHA also does a lot of blanket purchasing, so at the beginning of the year we lock in prices for the whole year for items that we purchase on a regular bases such as office supplies, plumbing and electrical. For services such as those supplied by Architects and Engineers, we interview each applicant and hire the one with the best qualifications, then negotiate a price.

Commissioner Silver asked about the PHA policies for minority contracts. The Director explained that those policies are referenced in this manual, and that the PHA also has manuals specifically addressing our policies towards Women (WBE) and Minority (MBE) owned businesses. These specific policies will be updated later in the year.

Commissioner Fields asked if we have counsel review our policies and procedures. The Executive Director stated that PHA General Counsel, Mark Ouelett, reviews all of them.

Resolution 4157, the Investment Policy

The Director explained that the PHA Investment Policy has also been updated. It was distributed to the board with an Executive Summary. For now all of our funds are invested with our bank, and we pick up some money by having them placed into overnight accounts, but there are no large sums to invest. Most of the Investment Policy consists of HUD regulations, the PHA has very little leeway. We are only allowed to invest in funds that are liquid, and secured by the government, such as saving accounts and government bonds. We make about \$100,000 per year with sweep accounts.

Resolution 4158, a Fines & Penalties Schedule for Residents

The Director stated that this Fine & Penalty schedule is directed towards residents who consistently violate the provisions of their lease. By regulation this new policy was posted in each development for 30 days. We also presented it to the Resident Advisory Board (which consists of the presidents of each development's Resident Association), although we weren't required to. The Advisory Board was in favor of the new policy, and in most cases wanted the fines to be higher. They passed a resolution of support. This policy will address issues such as parking, trash, pets, and unauthorized antennas. First a written warning will be issued, then a schedule of increasing fines (minimum \$25) for repeat offenders. The goal is to change resident behavior, not to create another source of income.

Commissioner Silver asked if the Resident Association initiated the fine policy. The Director stated that both the Resident Association and the PHA wanted to institute this change. Commissioner Silver also asked if the funds taken in could be earmarked to rectify the damage. The Director stated that the funds will go into the general account, from which funds are drawn for repairs and maintenance. Commissioner Silver also asked if the policy will be reviewed for effectiveness, and the Director stated that it will, and the fines will be raised if necessary.

RESOLUTION(S)Resolution #4155

Resolution #4155 authorizes acceptance of HUD's updated Annual Contributions Contract. Commissioner Fields moved approval with Commissioner Silver seconding the motion. After some discussion a vote was taken. There was no opposition by members present. Chairman Waldman declared the resolution passed.

Resolution #4156

Resolution #4156 authorizes the approval of the PHA's updated Procurement Policy & Procedures Manual. Commissioner Cascella moved approval with Commissioner Castillo seconding the motion. After some discussion a vote was taken. There was no opposition by members present. Chairman Waldman declared the resolution passed.

Resolution #4157

Resolution #4157 authorizes the approval of the PHA's updated Investment Policy. Commissioner Clarkin moved approval with Commissioner Waters seconding the motion. After some discussion a vote was taken. There was no opposition by members present. Chairman Waldman declared the resolution passed.

Resolution #4158

Resolution #4158 authorizes the approval of a fine and penalty schedule for residents who fail to comply with the provisions of their lease. Commissioner Cascella moved approval with Commissioner Waters seconding the motion. After some discussion a vote was taken. There was no opposition by members present. Chairman Waldman declared the resolution passed.

OLD BUSINESSBoard Retreat

The Board of Commissioners Annual Training and Development Retreat was held at the Ocean Edge Conference Center in November. The Chairman invited the board members to look over the information accumulated with the retreat questionnaire. The feedback was generally positive, especially regarding the sessions presented, but there were complaints about the food and the hotel staff. We will not hold another retreat at Ocean Edge.

NEW BUSINESS

There was no new business to discuss.

ADJOURNMENT

There being no further business, Chairman Waldman accepted a motion to adjourn from Commissioner Cascella, which was seconded by Commissioner Waters, to adjourn the meeting at 5:35 p.m.

Submitted by:

Approved by:

Beth Herosy
Recording Secretary

Stephen J. O'Rourke
Executive Director